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25 June 1968

DIA Declassification/Release Instructions on File

MEMORANDUM FOR: Director of Central Intelligence

**SUBJECT: House Appropriations Committee Report
on DOD Intelligence Activities**

1. Members of the staff of the House Appropriations Committee made an extensive review of the "Management and Conduct of Military Intelligence Activities in the Department of Defense" and produced a report dated March 14, 1968. DIA responded to this report in a document dated May 1968 and General Carroll made a partial rebuttal orally at about the same time to the Subcommittee on Defense.

2. We have read this report and the rebuttal carefully. Certain aspects of the report are clearly based on an incomplete understanding of the intelligence process and specifically of its application in DOD. Joe points this out rather gracefully and makes the appropriate responses better perhaps than we could. I think you can associate yourself with his comments.

3. To give a few illustrations:

a. The report criticizes DOD intelligence management for not including tactical intelligence units in its annual Consolidated Intelligence Program (CIP) review, with the implication that this is a serious error of omission.

The fact is that the CIP is designed to reflect national intelligence assets, and tactical elements are deliberately excluded. The rationale is of course that such elements are integral parts of field commands and are not subject to DOD direct control nor do they contribute to DOD intelligence production.

b. The Defense Intelligence Dissemination Program is held to be inadequate, and a number of examples of faulty dissemination are alleged.

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While we have no direct knowledge of the facts, we of course understand the process, and Carroll's response seems eminently reasonable. The authors of the report seem to have overlooked the procedures available, and in constant use, for rapid dissemination of timely information, and concentrated their attack on the indexing and filing of routine reports, for which speed is of no concern.

c. DIA's production of intelligence is said to be superimposed on that of the Services, contrary to the original concept of DIA, which was that it would to a considerable extent replace the Service production.

General Carroll points out--and I am sure he is right--that DIA has in fact exercised integrated management control of military intelligence production and has eliminated much duplication. While the result is certainly not perfect, the total production is better now than was the sum of the output of the Service intelligence agencies before the establishment of DIA.

d. There are other major criticisms by the report's authors. These are adequately answered by Carroll, and the three listed above are representative.

4. The report castigates the entire CIP review process. There is some merit in this criticism, as the system is far from perfect. On the other hand, DOD--and others--are well aware of its faults. The problem is that nothing better has yet been devised. *Wing*

5. I think that you could respond quite simply to the Committee if asked about this report. I would suggest that you say something to the effect that you and your staff have reviewed the report and while it points up a number of deficiencies, you believe most of them are under active review by DIA. Some of them may well have been based on incomplete understanding. You could comment on the CIP along the lines indicated in paragraph 4 above.

6. You might also wish to say that the entire problem of the review of resources and programs in DOD is extremely complicated and is a matter of the most intense interest to you. You are in fact in active consultation with the Secretary and Deputy Secretary of Defense on this very point. Certain actions (e.g., the establishment

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of the National Intelligence Resources Board) have been taken and others are contemplated. The DIA particularly is a relatively new organization. It has had its growing pains and has its imperfections; but it has made a real place for itself in the intelligence community and you have basic confidence in its over-all management.

/s/ John A. Bross
JOHN A. BROSS
D/DCI/NIPE

cc: DDCI
LC

NIPE:TAP:dm

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Buck slip to DCI: I appreciate that the occasion for using this memorandum has already passed. You may, however, wish to glance it over for future reference.

JAB

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